Recovery of amount from M/s. Lyka Laboratories

1581. SHRI R. S. NAIK:

CHOWDHARY RAM SEWAK:

Will the PRIME MINISTER be pleased to state:

(a) what steps have been taken to recover Rs. 673 lakhs from M/s. Lyka Laboratories and how much amount has been received upto 31st July, 1991;

(b) whether it is a fact that efforts are being made to exclude Flucinolone Acetonide from price control;

(c) whether it is also a fact that Government have not filed affidavit in the case of Flucinolone Acetonide;

(d) if so, the reasons therefor; and

(e) whether it is also a fact that recovery has been stayed in the absence of Government affidavit, if so, by when the affidavit would be filed?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) M/s. Lyka Laboratories Ltd. was issued a notice for recovery of Rs. 678.73 lakhs on account of overcharging of the price of bulk drug Fluocinolone Acetonide. Against this recovery the company have filed a writ petition in Bombay High Court and hence the matter is *sub-justice*.

(b) No, Sir.

(c) to (e) Government has sent parawise comments to the Branch Secretariat, Department of Legal Affairs, Bombay to prepare the counter Affidavit and the same will be filed in the Court soon.

Price Hike in Drugs after Devaluation of Rupee

1582. DR. RATNAKAR PANDEY: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that Government have conceded the demand of the drug industry to allow hike in prices consequent to devaluation of Rupee;

(b) whethre it is also a fact that no data has been called from the manufacturers on this issue;

(c) if so, what are the criteria on which hike in prices are being allowed;

(d) whether it is also a fact that neither stock position nor current actual usage of imports have been verified before working on the exercise of increase;

(e) if so, the reasons therefor; and

(f) what are the names of drugs where prices have been increased due to devaluation and what was earlier price and increased price of each?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (f) Cost of production of such bulk drugs which have imported content is affected by increase in cost of imported materials due to change in exchange rate of rupee against major foreign currencies. In order to ensure availability of the drugs impact of such cost escalation is being given on the basis of data available with the Government and in consultation with BICP. It is not practicable to collect the details mentioned in part (d) of the question and it would be risky from the view point of ensuring availability of these medicines to link the corrective action with the outcome of such a complicated and time consuming excercise.

Government have revised prices of 31 bulk drugs so far after taking the above corrective action. The revised and earlier prices of these drugs are given in statement annexed.